

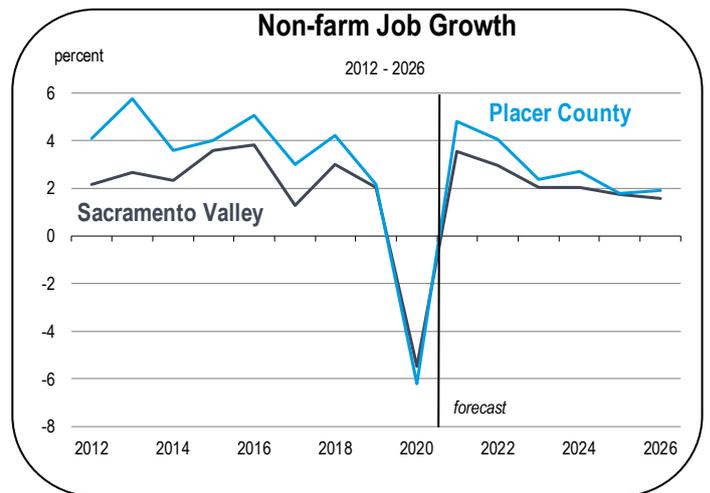
Placer County Economic Forecast

Forecast Summary

- Placer County is the fastest growing county in California. It has the fastest rate of expected population growth and one of the fastest rates of expected job creation.
- Both Sacramento County and Placer County are becoming emerging hubs for technology firms largely because giants HP, Intel, Aerojet Rocketdyne, Oracle, and Apple already have prominent locations in the region.
- On an annual average basis, 7,900 non-farm jobs will be restored in Placer County during 2021. A full labor market recovery is expected by 2022.
- The unemployment rate averaged 7.4 percent in 2020. It is expected to average 5.1 percent in 2021.
- Housing construction is expected to be prolific. Copious housing production will enable meaningful net migration into the county.
- Home prices increased unexpectedly in 2020, rising by 6 percent. Prices are forecast to increase by another 5 or 7 percent in 2021.

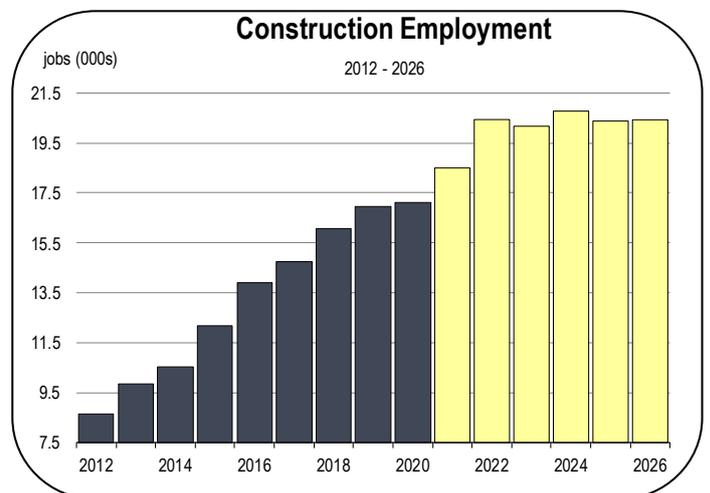
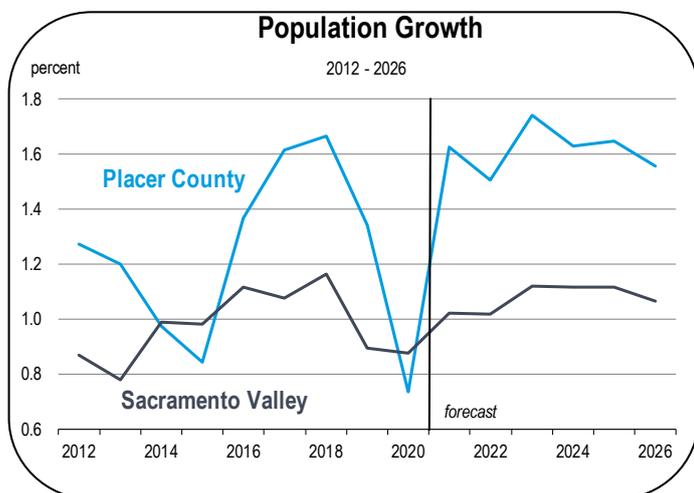
Job Growth

- Total employment in Placer County will expand by 4.8 percent in 2021 on an annual average basis.
- Between 2022 and 2026, job growth will average 2.6 percent.

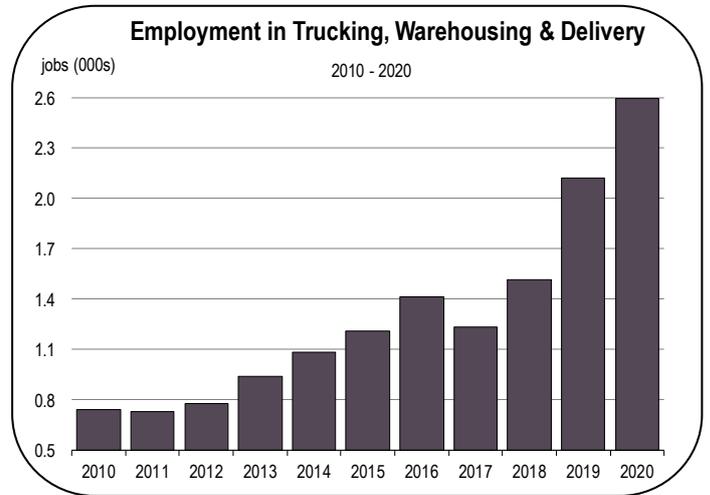
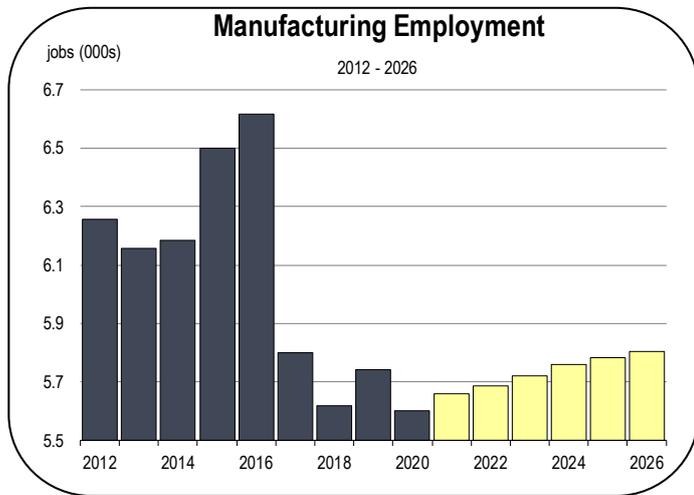


Construction Employment

- In 2020, more homes were permitted than at any time since 2005.
- There are a number of area specific plans in the County where projects are underway and the development list is long for western Placer County.
- Placer Vineyards projects are now being entitled by the Board of Supervisors. There are also projects planned in the east County to enhance skiing and ski tourism.
- The demand for construction workers is likely to surge in the County over the next 5 years.



Placer County Economic Forecast



Manufacturing Employment

- Placer County has a heavy concentration in computer manufacturing, largely due to the Hewlett Packard plant in Roseville and the Oracle office in Rocklin.
- No extraordinary growth in manufacturing is forecast over the next 5 years, though longer term, a contraction is likely due to robotics and other advances in technology.

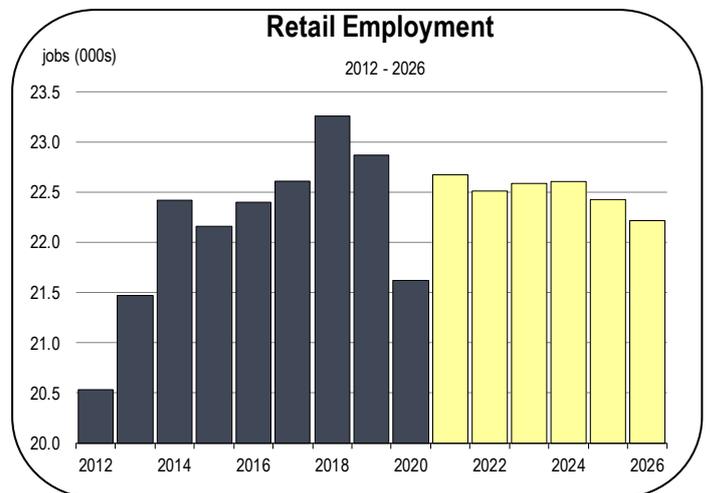
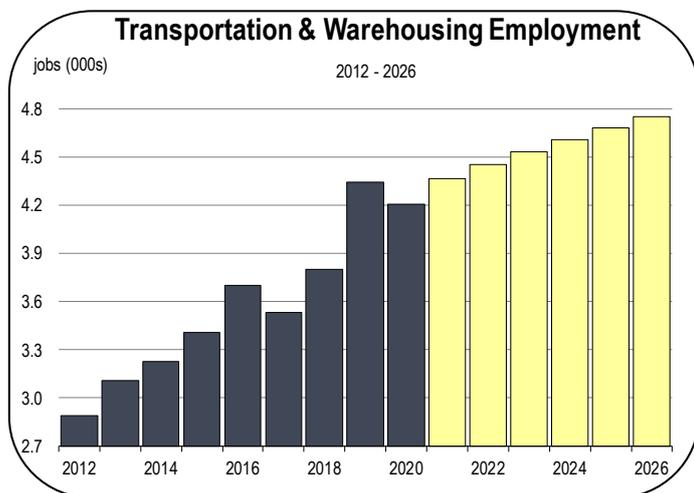
Transportation and Warehousing Employment

- Most transportation jobs in Placer County are in trucking and warehousing, where firms deliver goods to and from businesses and store these goods in logistics facilities.
- A meaningful number of jobs are in delivery firms like UPS and FedEx.

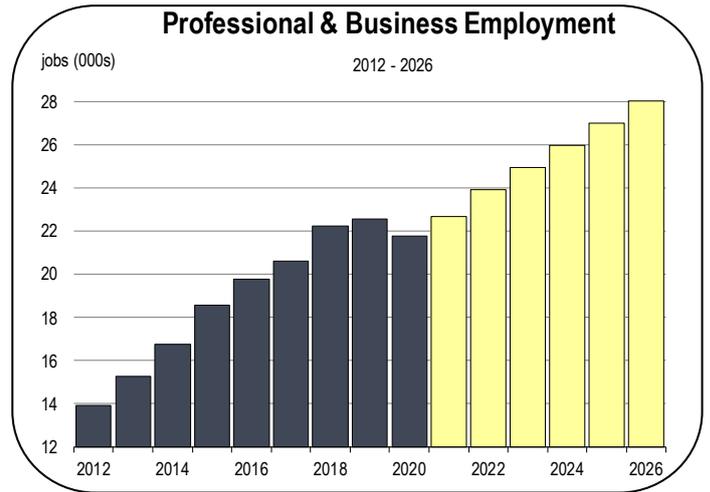
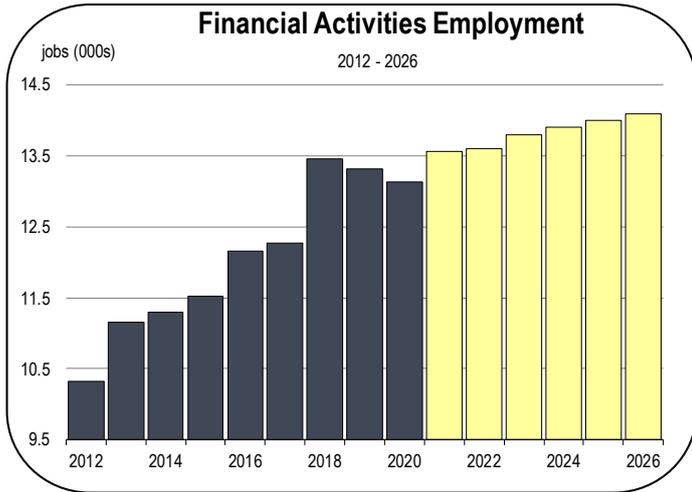
- Trucking, shareholding, and delivery firms hired large numbers of workers during 2020 in response to a surge in online shopping and direct-to-consumer shipping.
- Job growth in delivery services would have been even more prolific if companies like DoorDash and GrubHub employed W-2 workers instead of independent contractors. Independent contractors are not included in industry employment totals.

Retail Trade Employment

- Retail jobs that were lost with the economic shutdowns during 2020 are mostly recovered in 2021, but the substitution by consumers to purchase goods online instead of from local retail stores is creating the disruption in the retail trade labor market.
- Employment does not fade away much but it is not forecast to grow either.



Placer County Economic Forecast



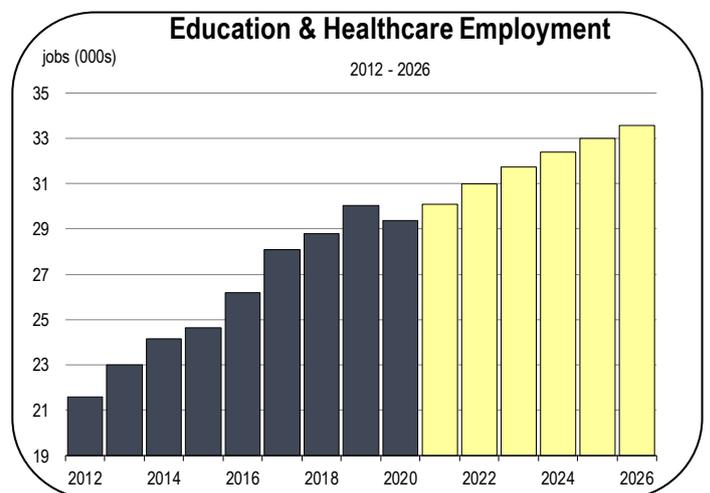
Financial Activities Employment

- The Placer County financial activities industry is mostly comprised of real estate companies, banks, and insurance firms.
- The industry will slowly expand the existing workforce levels over the forecast.
- Most growth will be observed at real estate firms, who will sell and manage the large number of properties that will be developed.

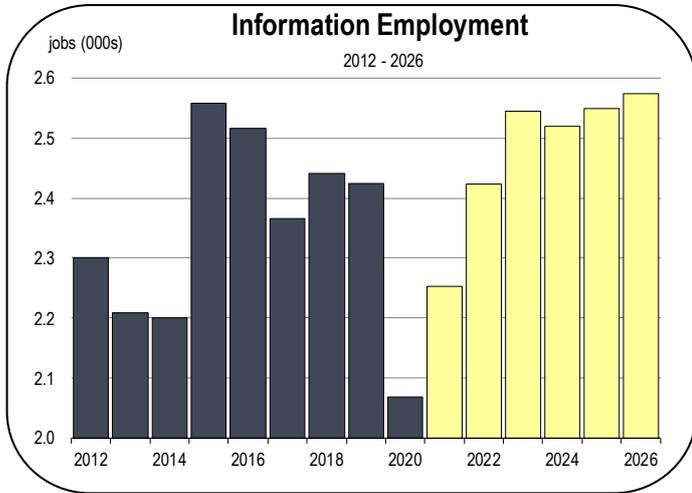
- With more new development, architectural services, building inspection, interior design, landscaping, and building maintenance demand increases.
- Population serving occupations include accountants, bookkeepers, attorneys, advertising, graphic designers, public relations and marketing specialists, photography, and veterinary services.
- The growth of technology and innovation will generate demand for computer systems design, programming, component design and testing, and scientific and technical development services.

Professional and Business Services, Private Education, and Healthcare Employment

- The engines of growth for the County’s labor market will be in the professional services and in Healthcare.
- Combined, these two sectors account for a major share of total employment growth over the forecast.
- Both the growing and the aging population will demand more healthcare services.
- Population growth will also demand more services in general, and professional business services accounts for a myriad of subsector services that will require more workers than other sectors of the Placer County economy.



Placer County Economic Forecast

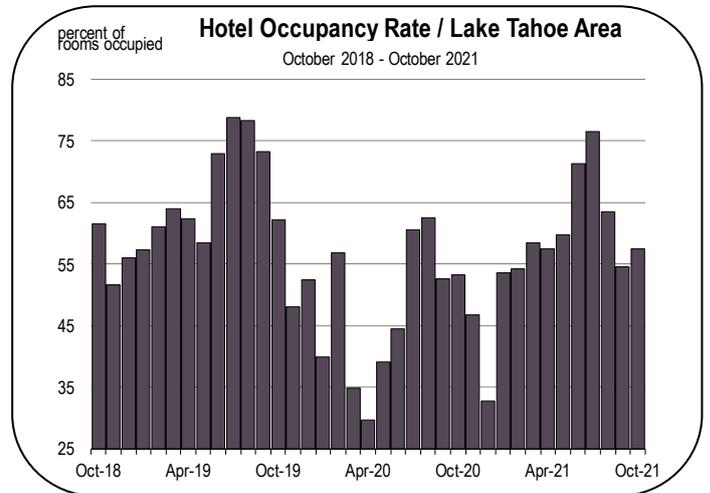
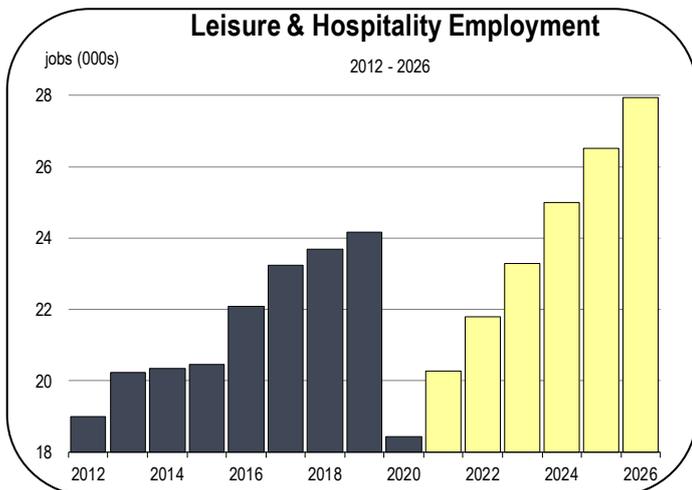


Information Employment

- The expansion of employment opportunities in this sector that began several years ago was interrupted by the pandemic.
- Jobs are expected to recover in 2021 and 2022.
- Principally, because of recent relocations of companies into western Placer County, employments are expected to rise in software development, some telecommunications applications, data processing, Internet hosting, Internet publishing, and related web services.

Leisure and Hospitality Employment

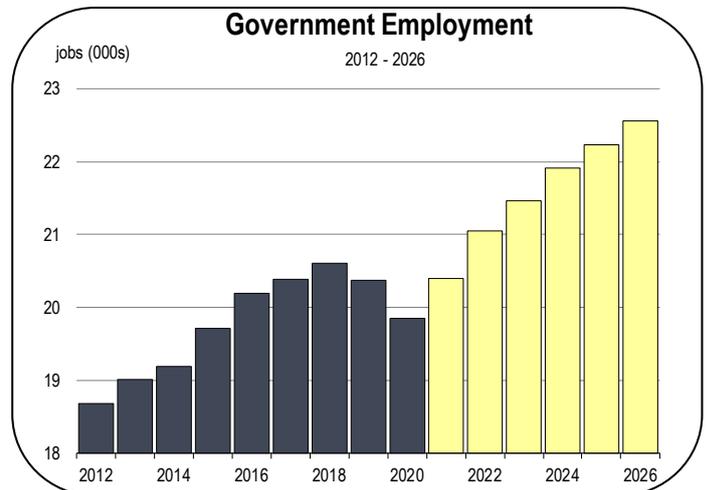
- The sector recovers all pandemic impacted jobs no later than 2024 and growth is relatively swift along the way.
- Many jobs are related to winter skiing in the east county area of Lake Tahoe.



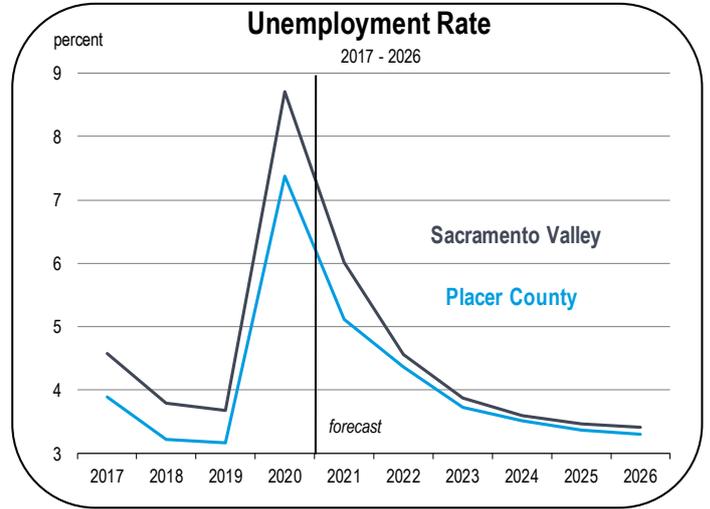
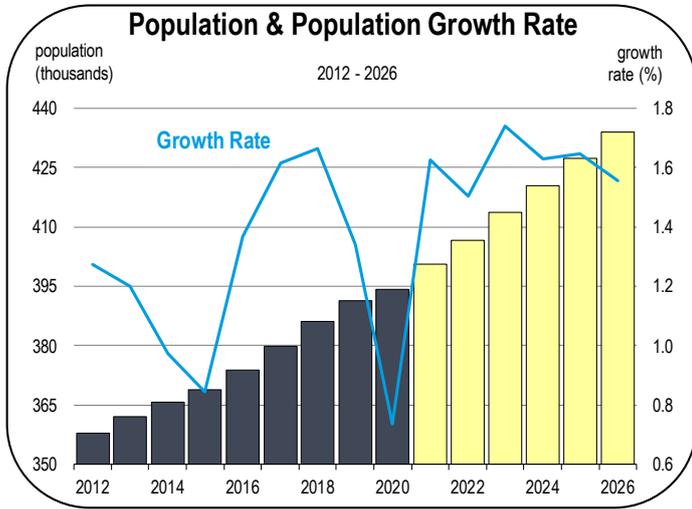
- The 2021 winter season was prolific and hotel occupancy began to rebound when the shelter in place order was rescinded in late January 2021. Occupancy rates had fully recovered by summer 2021.
- Expect the overall industry to recover and/or create nearly 10,000 jobs over the forecast period.

Government Employment

- Few jobs were lost in this sector as a result of pandemic restrictions, including the closure of public schools.
- With federal government rescue grant funding going to cities and counties, much of the lost tax revenue caused by the economic shutdowns will be offset. This enables cities and counties to reinstate positions in a timelier fashion.
- Furthermore, with in-person schools resuming in the Fall, administrative, faculty and other staff and contractor positions should be entirely restored this year.



Placer County Economic Forecast

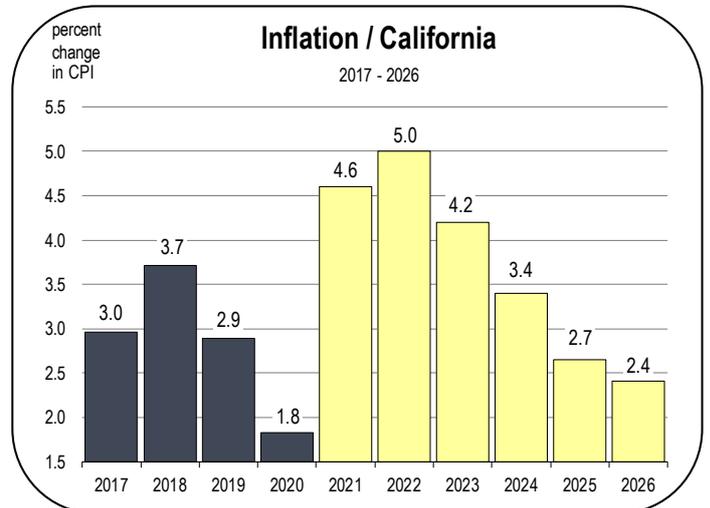
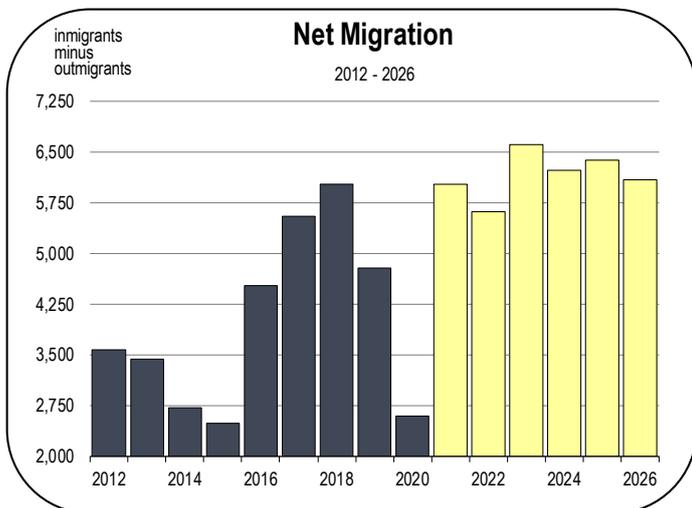


Population Growth

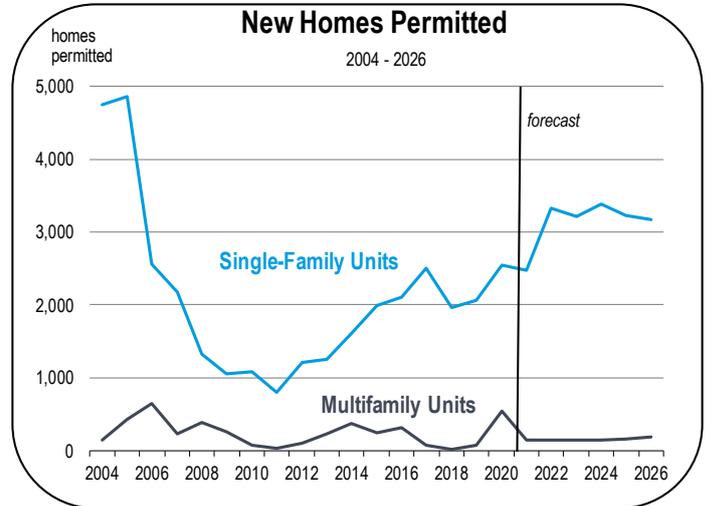
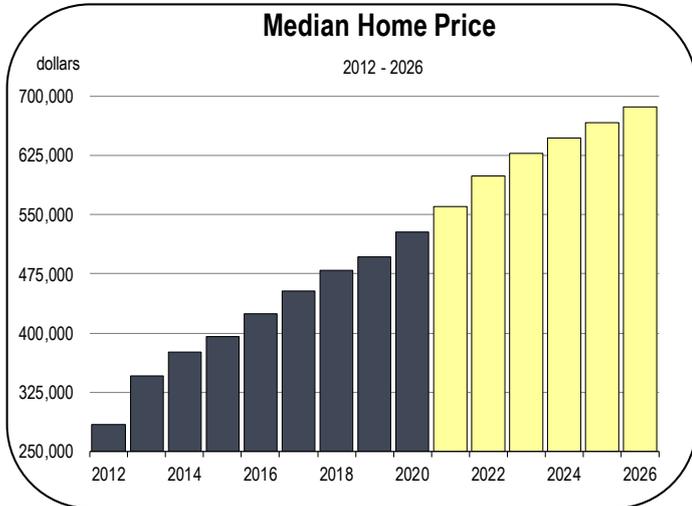
- The boost in new home building together with the growth of employment opportunities in both the east and west areas of the county is attracting migration.
- Net in-migration is expected to continue driving population growth over the indefinite future as it is today.
- The population will expand at an annual average rate of 1.6 percent per year from 2021 to 2026.
- By 2026 the Placer County population will approach 435,000 residents.

Unemployment and Inflation Rates

- The unemployment rate in Placer County averaged 7.4 percent in 2020. It is currently 5.5 percent
- An unemployment rate below 5.0 percent signifies a fully employed workforce in Placer County.
- The unemployment rate is expected to average 5.1 percent in 2021 and 4.4 percent in 2022.
- Inflation decelerated sharply in 2020, largely because energy prices declined when the demand for fuels plunged. Inflation soared in 2021 and is expected to remain elevated for several years.



Placer County Economic Forecast

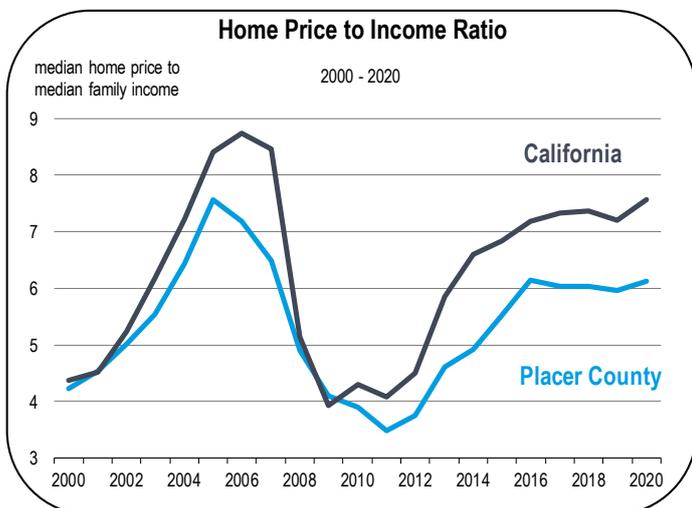


- Ultimately, inflation will reduce the purchasing power of households and negatively impact consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate as supply chains and the labor force are restored by the second half of the forecast period, eventually falling below 3 percent.

- In Placer County, the typical household spends less than 30 percent of its pre-tax income on mortgage payments or rent.
- Along Coastal California the typical household spends more than 35 percent of income on housing costs, and in very expensive markets like San Francisco, housing costs often account for more than 50 percent of income.
- From 2015 to 2020, an average of 2,400 new homes were started per year in Placer County. Approximately 93 percent were single-family homes.
- Housing production is expected to average 3,300 homes per year from 2021 to 2026, consisting almost entirely of single-family homes.
- New homes will be built in many parts of the county, but activity will be heavily concentrated near Roseville.

Home Prices and New Housing Production

- In 2020 the median home price in Placer County was \$527,900, an increase of 6 percent from the previous year.
- Prices are forecast to rise by 6 percent in 2021 and another 7 percent in 2022.
- Homes in Placer County are more affordable than homes across California, especially Coastal California.



Bickford Ranch Marketplace

- The project in Brickford Ranch, located between Lincoln and Newcastle, proposes an 82,888 square foot neighborhood commercial center including grocery, retail, restaurant, and gas station services. The EIR is underway.

Riolo Vineyards

- The first projects within this specific plan began in 2017. The area is planned for 933 residential units.
- Taylor Builders is in the process of developing 617 single family units in this community, consisting of Glen Willow (177), Mason Trails (170) and Silver Sage (270). Glen Willow delivered finished lots in late 2020.

Placer County Economic Forecast

Silver Sage

- Within the Riolo Vineyard specific plan, the proposed project consists of 270 residential units.
- The project has been approved and tract maps are in preparation.

Kings Beach Center

- This project is a proposed redevelopment of numerous parcels to include a 120-room hotel, 20 single family residential condos and retail/mixed use.

Placer Vineyard Specific Plan, Phase 1

- The Placer Vineyards project was originally approved by the Board of Supervisors on July 16, 2007.

- The project is located in southwestern Placer County and contains approximately 5,230 acres.
- Development includes a mixed-use planned community including 14,132 residential units, 274 acres of commercial uses.
- This project will be built out over multiple decades and construction is not expected to begin for several years.

Stages at Northstar

- The Stages at Northstar proposes an approximately 67,200 square foot entertainment facility located near the intersection of Northstar Drive and Ridgeline Drive.
- The proposal includes two indoor theaters, an outdoor amphitheater, a multipurpose community room, a lobby large enough to accommodate art exhibits, receptions, meetings and events.



Placer Vineyards

Placer County Economic Forecast

White Wolf Subdivision

- Located ½ mile north of Alpine Meadows Resort, the ski resort project consists of 38 single-family residential lots, 14 guest units, a 10,360 square feet clubhouse/lodge, ski resort facilities, a warming hut, a pool, an ice-skating rink, tennis courts, and two ski lifts.
- The ski lifts would link the resort to both the Alpine Meadows resort and the Squaw Valley ski resort.
- The project is currently under EIR review and requires an Alpine Meadows General Plan Amendment.

Sunset Area Plan and Placer Ranch Specific Plan

- The development project includes approximately 8.5 million square feet of commercial, employment and university-related, non-residential use, of which 4.5 million square feet would be located in a campus park district that would include office, research and development, light industrial and commercial uses.
- The proposed plan includes 300 acres of land planned for a future California State University, Sacramento satellite campus.

- At build-out, the school could support as many as 25,000 Sac State students.
- The project also proposes 5,600 homes, grade and middle schools, and parks.
- The project is intended to create more than 55,000 new jobs in Placer County.
- The project was approved by the Board of Supervisors in December 2019. However in January 2020, the Center for Biological Diversity submitted a lawsuit challenging the adequacy of the final EIR.

Civic Plaza Residences

- In the City of Roseville, the proposed project is for the construction of 189 rental units.
- The project requires a public hearing before the planning commission.



Sunset Area Plan and Placer Ranch Specific Plan

Placer County Economic Forecast

Economic Indicators

2015-2020 History, 2021-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Local Sales Tax (millions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Real Farm Production (millions)	Births (people)	Deaths (people)
2015	368,728	138.3	2,493	2,038	411	\$22	\$6.5	\$8.7	\$2.1	\$69,366	5.1	\$67	1.4
2016	373,773	140.2	4,522	2,418	421	\$24	\$6.7	\$9.0	\$2.5	\$70,459	4.5	\$68	2.3
2017	379,809	142.2	5,556	2,581	428	\$25	\$7.1	\$9.5	\$2.1	\$70,917	3.9	\$63	3.0
2018	386,124	144.4	6,017	1,981	438	\$26	\$7.6	\$9.9	\$1.9	\$70,787	3.2	\$71	3.7
2019	391,299	147.0	4,781	2,140	453	\$27	\$7.8	\$10.4	\$2.0	\$71,443	3.2	\$88	2.9
2020	394,179	148.9	2,599	3,092	451	\$28	\$7.6	\$10.2	\$2.1	\$71,958	7.4	\$100	1.8
2021	400,589	151.1	6,023	2,629	458	\$30	\$8.0	\$10.7	\$2.1	\$72,169	5.1	\$99	4.6
2022	406,617	153.5	5,617	3,480	466	\$31	\$8.1	\$10.8	\$2.1	\$73,246	4.4	\$98	5.0
2023	413,693	156.7	6,609	3,348	471	\$33	\$8.3	\$11.1	\$2.2	\$74,122	3.7	\$97	4.2
2024	420,430	159.7	6,230	3,535	477	\$35	\$8.6	\$11.4	\$2.2	\$75,000	3.5	\$96	3.4
2025	427,351	162.9	6,379	3,397	484	\$36	\$8.7	\$11.6	\$2.2	\$75,464	3.4	\$95	2.7
2026	434,002	166.0	6,089	3,353	489	\$38	\$8.8	\$11.7	\$2.3	\$75,919	3.3	\$95	2.4
2027	440,504	169.0	5,927	3,176	494	\$39	\$8.9	\$11.8	\$2.3	\$76,285	3.3	\$95	2.2
2028	446,668	171.9	5,585	3,031	498	\$41	\$9.0	\$11.9	\$2.3	\$76,674	3.3	\$94	2.3
2029	452,634	174.6	5,386	2,961	503	\$43	\$9.2	\$12.2	\$2.3	\$76,897	3.2	\$94	2.2
2030	458,391	177.3	5,186	2,912	508	\$44	\$9.5	\$12.6	\$2.3	\$77,114	3.2	\$94	2.2
2031	463,740	179.9	4,815	2,848	513	\$46	\$9.7	\$12.9	\$2.4	\$77,259	3.2	\$94	2.3
2032	468,749	182.5	4,522	2,755	519	\$47	\$9.9	\$13.2	\$2.4	\$77,282	3.2	\$93	2.2
2033	473,350	185.0	4,192	2,683	524	\$49	\$10.1	\$13.5	\$2.4	\$77,556	3.2	\$93	2.0
2034	477,561	187.4	3,888	2,585	528	\$51	\$10.4	\$13.8	\$2.4	\$77,832	3.2	\$93	2.1
2035	481,633	189.7	3,851	2,510	531	\$52	\$10.7	\$14.2	\$2.4	\$78,125	3.2	\$93	2.1
2036	485,275	192.0	3,544	2,502	535	\$54	\$11.0	\$14.7	\$2.4	\$78,295	3.2	\$93	2.2
2037	488,574	194.3	3,330	2,411	539	\$56	\$11.3	\$15.1	\$2.4	\$78,376	3.2	\$93	2.2
2038	491,799	196.4	3,404	2,358	543	\$58	\$11.6	\$15.5	\$2.4	\$78,565	3.2	\$93	2.2
2039	494,878	198.6	3,431	2,379	547	\$60	\$12.0	\$16.0	\$2.4	\$78,714	3.2	\$93	2.2
2040	497,809	200.7	3,455	2,372	551	\$62	\$12.3	\$16.4	\$2.4	\$78,864	3.2	\$93	2.1
2041	500,650	202.9	3,544	2,381	556	\$64	\$12.6	\$16.8	\$2.5	\$79,205	3.2	\$93	2.2
2042	503,335	205.0	3,552	2,405	560	\$66	\$12.9	\$17.1	\$2.5	\$79,662	3.2	\$93	2.1
2043	505,993	207.2	3,682	2,394	563	\$68	\$13.2	\$17.6	\$2.5	\$80,119	3.2	\$93	2.0
2044	508,573	209.4	3,765	2,429	567	\$70	\$13.4	\$17.9	\$2.5	\$80,697	3.2	\$93	2.2
2045	510,743	211.6	3,509	2,452	571	\$73	\$13.7	\$18.3	\$2.5	\$81,282	3.2	\$93	2.2
2046	512,689	213.8	3,436	2,374	574	\$75	\$14.0	\$18.7	\$2.5	\$81,756	3.2	\$93	2.2
2047	514,376	215.9	3,326	2,357	577	\$77	\$14.3	\$19.1	\$2.5	\$82,113	3.2	\$93	2.2
2048	515,806	218.1	3,200	2,331	580	\$79	\$14.7	\$19.6	\$2.5	\$82,420	3.2	\$93	2.3
2049	516,971	220.2	3,062	2,286	584	\$82	\$15.1	\$20.1	\$2.5	\$82,881	3.2	\$93	2.0
2050	517,859	222.2	2,898	2,253	587	\$84	\$15.4	\$20.6	\$2.5	\$83,346	3.2	\$93	2.1

Employment Sectors

2015-2020 History, 2021-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	152.3	0.3	12.2	6.5	3.4	26.4	11.5	18.6	2.6	24.7	20.5	19.7
2016	160.0	0.3	13.9	6.6	3.7	26.6	12.2	19.8	2.5	26.2	22.1	20.2
2017	164.8	0.3	14.8	5.8	3.5	26.9	12.3	20.6	2.4	28.1	23.2	20.4
2018	171.8	0.4	16.1	5.6	3.8	28.0	13.5	22.2	2.4	28.8	23.7	20.6
2019	175.5	0.4	17.0	5.7	4.3	28.1	13.3	22.6	2.4	30.0	24.2	20.4
2020	164.6	0.3	17.1	5.6	4.2	26.5	13.1	21.8	2.1	29.4	18.4	19.9
2021	172.5	0.3	18.5	5.7	4.4	27.7	13.6	22.7	2.3	30.1	20.3	20.4
2022	179.5	0.3	20.4	5.7	4.5	27.6	13.6	23.9	2.4	31.0	21.8	21.0
2023	183.8	0.3	20.2	5.7	4.5	27.8	13.8	24.9	2.5	31.7	23.3	21.5
2024	188.7	0.3	20.8	5.8	4.6	27.8	13.9	26.0	2.5	32.4	25.0	21.9
2025	192.1	0.3	20.4	5.8	4.7	27.7	14.0	27.0	2.5	33.0	26.5	22.2
2026	195.8	0.3	20.4	5.8	4.8	27.5	14.1	28.0	2.6	33.6	27.9	22.6
2027	198.8	0.3	19.9	5.8	4.8	27.4	14.2	29.1	2.6	34.1	29.3	22.8
2028	201.8	0.3	19.6	5.8	4.9	27.2	14.3	30.1	2.6	34.7	30.6	23.1
2029	205.1	0.3	19.4	5.9	4.9	27.3	14.4	31.1	2.7	35.2	31.7	23.4
2030	208.5	0.3	19.4	5.9	5.0	27.5	14.4	32.1	2.7	35.7	32.8	23.6
2031	211.0	0.3	19.0	5.9	5.1	27.6	14.5	33.1	2.7	36.2	33.6	23.8
2032	213.5	0.3	18.8	5.9	5.1	27.7	14.6	34.1	2.7	36.7	34.3	24.0
2033	215.7	0.3	18.5	5.9	5.1	27.8	14.6	35.1	2.7	37.1	34.7	24.2
2034	217.8	0.3	18.2	5.9	5.2	27.8	14.7	36.0	2.8	37.6	35.2	24.4
2035	219.8	0.3	18.0	5.9	5.2	28.0	14.7	37.0	2.8	38.1	35.5	24.5
2036	222.0	0.3	17.9	5.9	5.3	28.1	14.8	37.9	2.8	38.5	35.8	24.7
2037	223.8	0.3	17.6	5.9	5.3	28.2	14.8	38.9	2.8	39.0	36.1	24.8
2038	225.7	0.3	17.4	5.9	5.3	28.3	14.9	39.8	2.8	39.4	36.3	25.0
2039	227.8	0.3	17.3	5.9	5.4	28.4	15.0	40.7	2.8	39.8	36.6	25.1
2040	229.7	0.3	17.3	5.9	5.4	28.4	15.0	41.6	2.8	40.2	36.9	25.2
2041	231.6	0.3	17.2	5.9	5.4	28.5	15.1	42.5	2.8	40.7	37.1	25.4
2042	233.6	0.3	17.2	5.9	5.5	28.6	15.2	43.4	2.8	41.1	37.4	25.5
2043	235.5	0.3	17.2	5.9	5.5	28.7	15.2	44.3	2.8	41.4	37.7	25.6
2044	237.5	0.3	17.2	5.9	5.5	28.7	15.3	45.2	2.8	41.8	38.0	25.7
2045	239.5	0.3	17.3	5.9	5.5	28.8	15.3	46.0	2.8	42.2	38.3	25.9
2046	241.1	0.3	17.1	5.9	5.6	28.9	15.4	46.8	2.8	42.6	38.6	26.0
2047	242.7	0.3	17.0	5.9	5.6	28.9	15.4	47.7	2.8	42.9	38.8	26.1
2048	244.3	0.3	16.9	5.9	5.6	29.0	15.4	48.5	2.8	43.3	39.0	26.2
2049	245.9	0.3	16.8	5.9	5.6	29.2	15.4	49.3	2.8	43.6	39.3	26.3
2050	247.4	0.3	16.7	5.9	5.6	29.3	15.5	50.0	2.8	43.9	39.5	26.4

Placer County Economic Forecast

Socioeconomic Indicators

